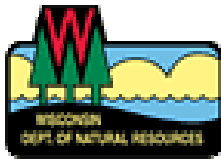


# Permits and Fees Committee

Wisconsin Clean Air Act Task Force  
Thursday, May 27, 2004





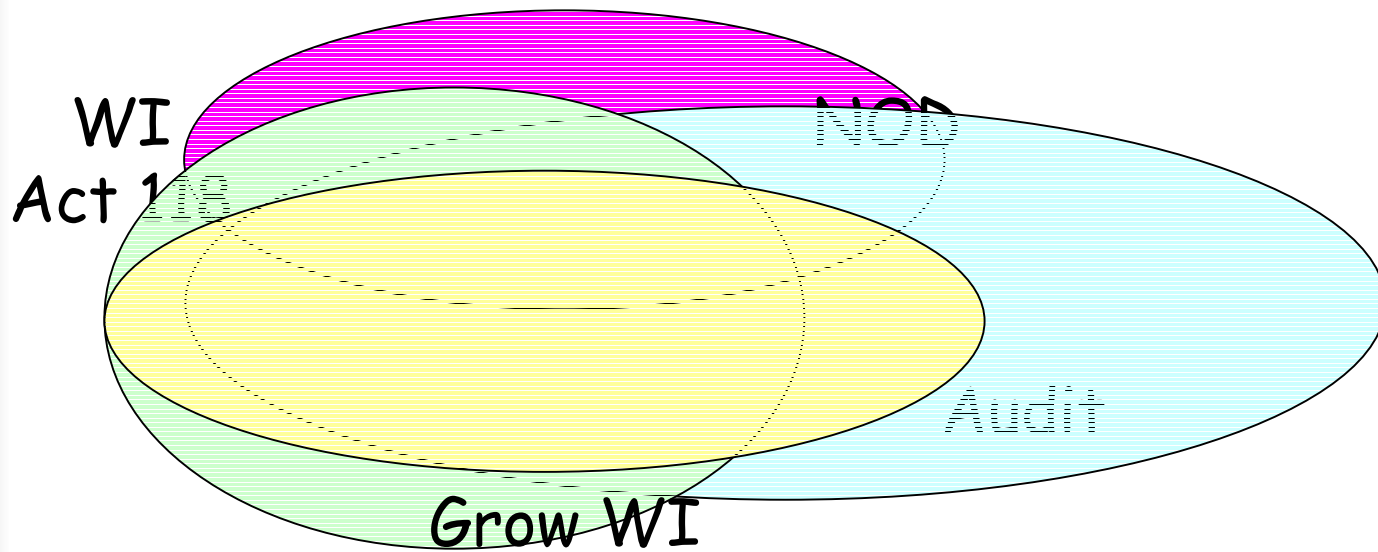
# Agenda

- Update on Response to WA 118
- Update on Notice of Deficiency



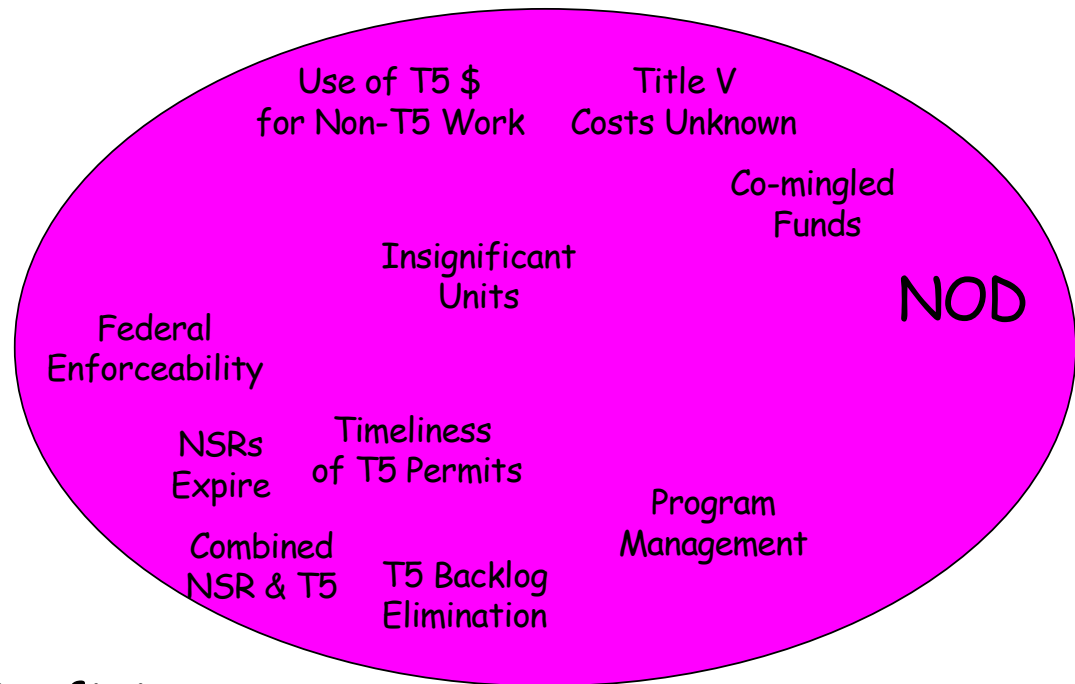
# Update on Wisconsin Act 118

- Permit Streamlining
- Registration Permits and General Permits
- Permit Application Completeness
- Start of Construction Waiver
- Appeal of Operation Permit Emission Monitoring Requirements
- Permit Challenge by Applicant



All of the "drivers" are pointing in the same direction

- Process permits and inspections in a timely manner
- Simplify regulations by exploring alternative tools
- Manage the program proactively
- Change culture/attitude toward stakeholders
- Create processes for case-by-case consideration
- Align activities with funding



## EPA Notice of Deficiency

Published in Federal Register on March 4, 2004

- Title V Fee Schedule
- Administration of Fees & Resources
- Timely Issuance of Title V Permits
- 4 Programmatic Issues
- Significant Action by June 4, 2004
- Address Deficiencies by September 4, 2005



# Calendar of Events

Month & Year	Notice of Deficiency
March/April 2004	Meetings with EPA 3/29 and 4/15
June 2004	Day 90. Take "significant action" or EPA withdraws approval
September 2004	
December 2004	
March 2005	
September 2005	Month 18. NOD Corrections Complete or Sanctions
December 2005	
March 2006	Month 24. If deficiencies remain, EPA takes over all or part of program



# Issues raised in the NOD

- Adequacy of Title V Program Funding
- Management of Program Funds
- Issuance Rate of Operation Permits
- Legal issues related to construction permits and operation permits



# Timelines and Consequences

- If issues unresolved within 18 months, EPA **must** invoke sanctions. :
- Restrictions in federal highway funds
- Increase nonattainment emission offsets
- If unable to resolve issues within 24 months, EPA **must** take over Wisconsin's Title V Program and charge federal fees.
- EPA **may** impose sanctions earlier than 18 months after issuance of the NOD.





# Response to NOD

- Revised Workload Analysis
- Fee Information
- Proposed response to other issues



# Workload Analysis

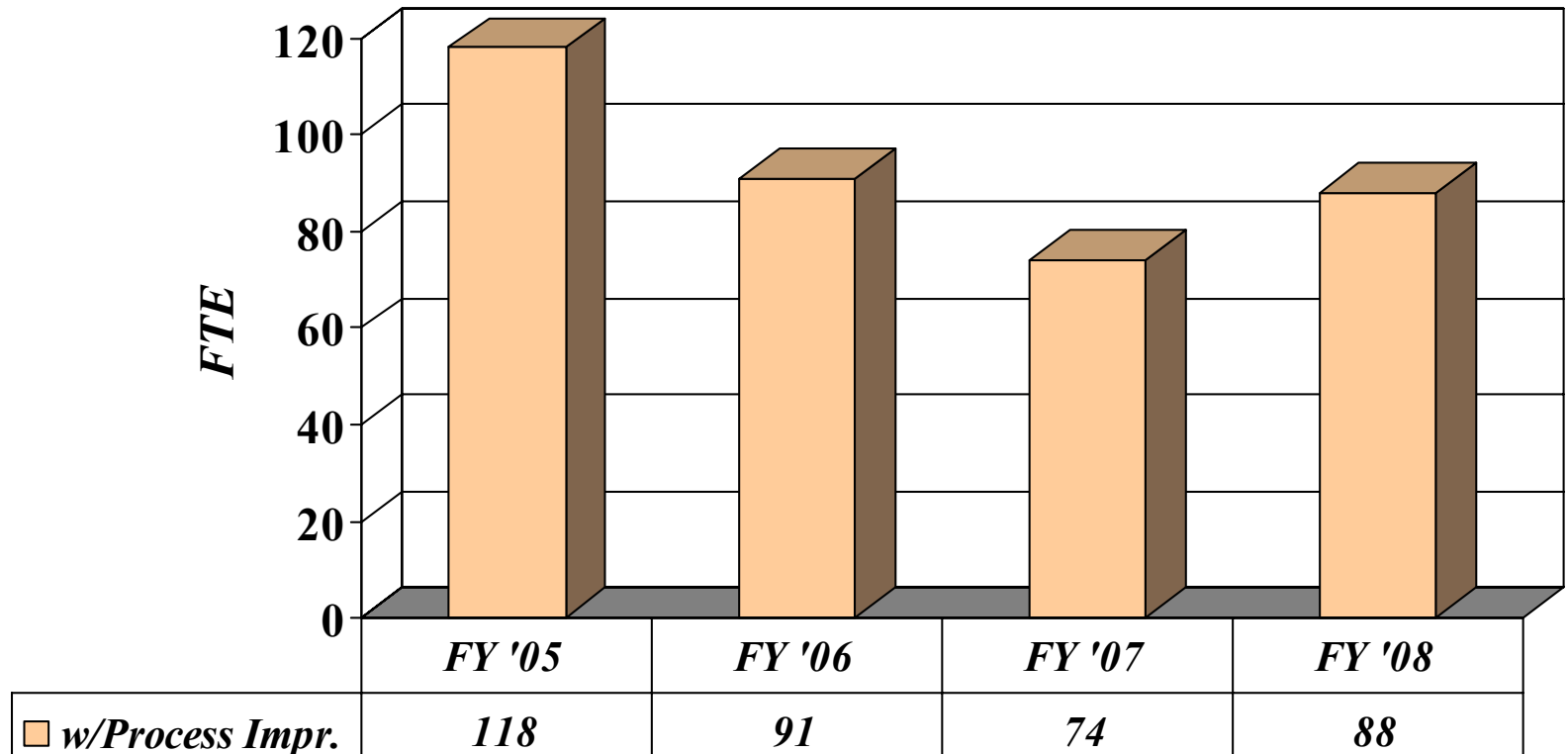
- Invest in process & IT improvements up front to gain efficiencies later
- Adjust timing of some activities to accommodate streamlining
- Recognize economic realities & constraints



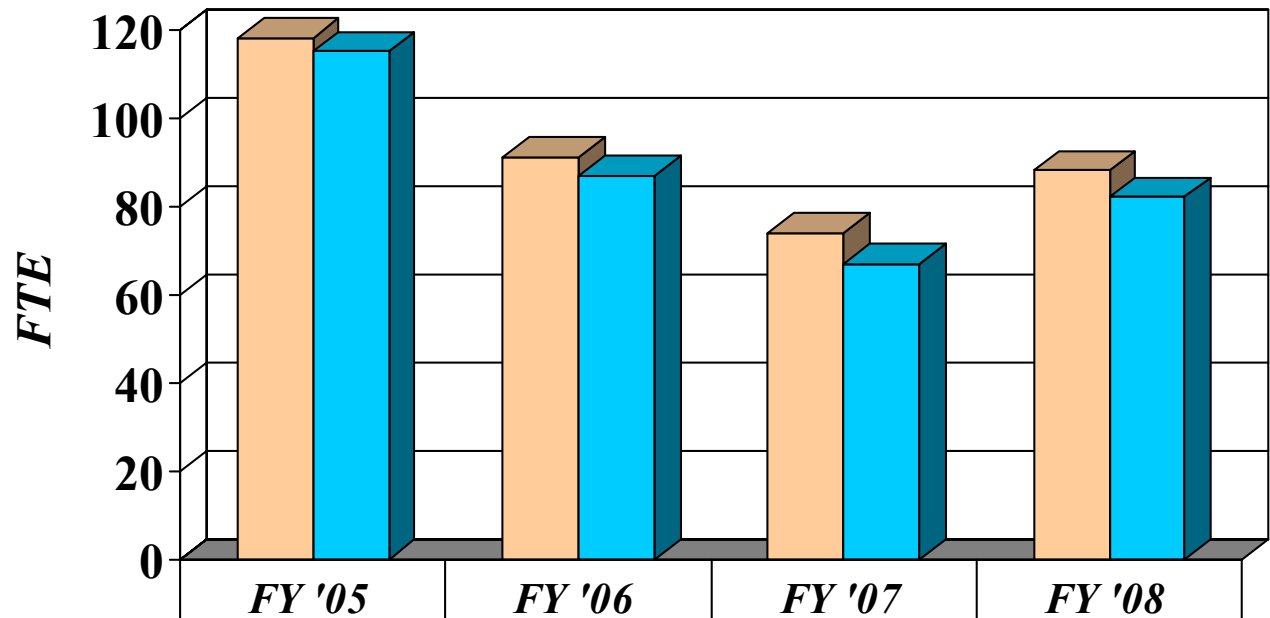
# Workload Analysis (Con't)



- Workload Analysis includes estimates of numbers of sources over time
  - Type of source (FOP, FESOP, SOP)
  - Type of “primary compliance document” (permit)
- Workload estimates based on 5 years of time sheet data
- Workload estimates vary by source, permit type
- Workload estimates coordinated with APII targets and timelines.

# Workload Analysis (Con't)

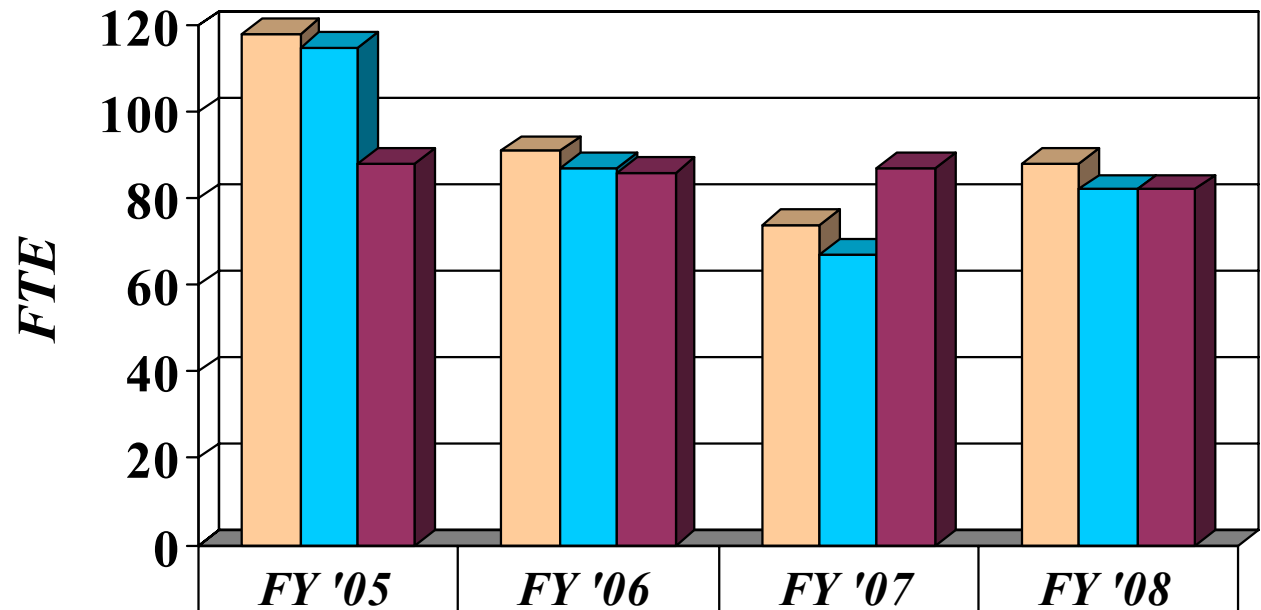


# Workload Analysis (Con't)



 <i>w/Process Impr.</i>	<i>118</i>	<i>91</i>	<i>74</i>	<i>88</i>
 <i>w/Process &amp; IT Impr.</i>	<i>115</i>	<i>87</i>	<i>67</i>	<i>82</i>

# Workload Analysis (Con't)



 *w/Process Impr.*

*118*

*91*

*74*

*88*


 *w/Process & IT Impr.*

*115*

*87*

*67*

*82*

 *w/Both, equalized*

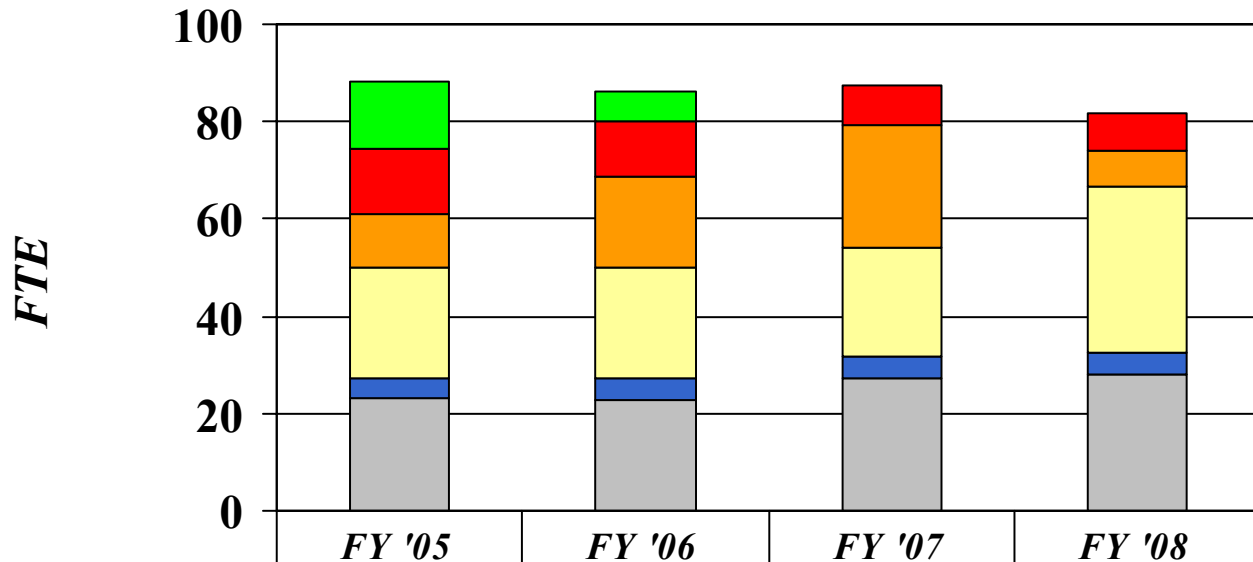
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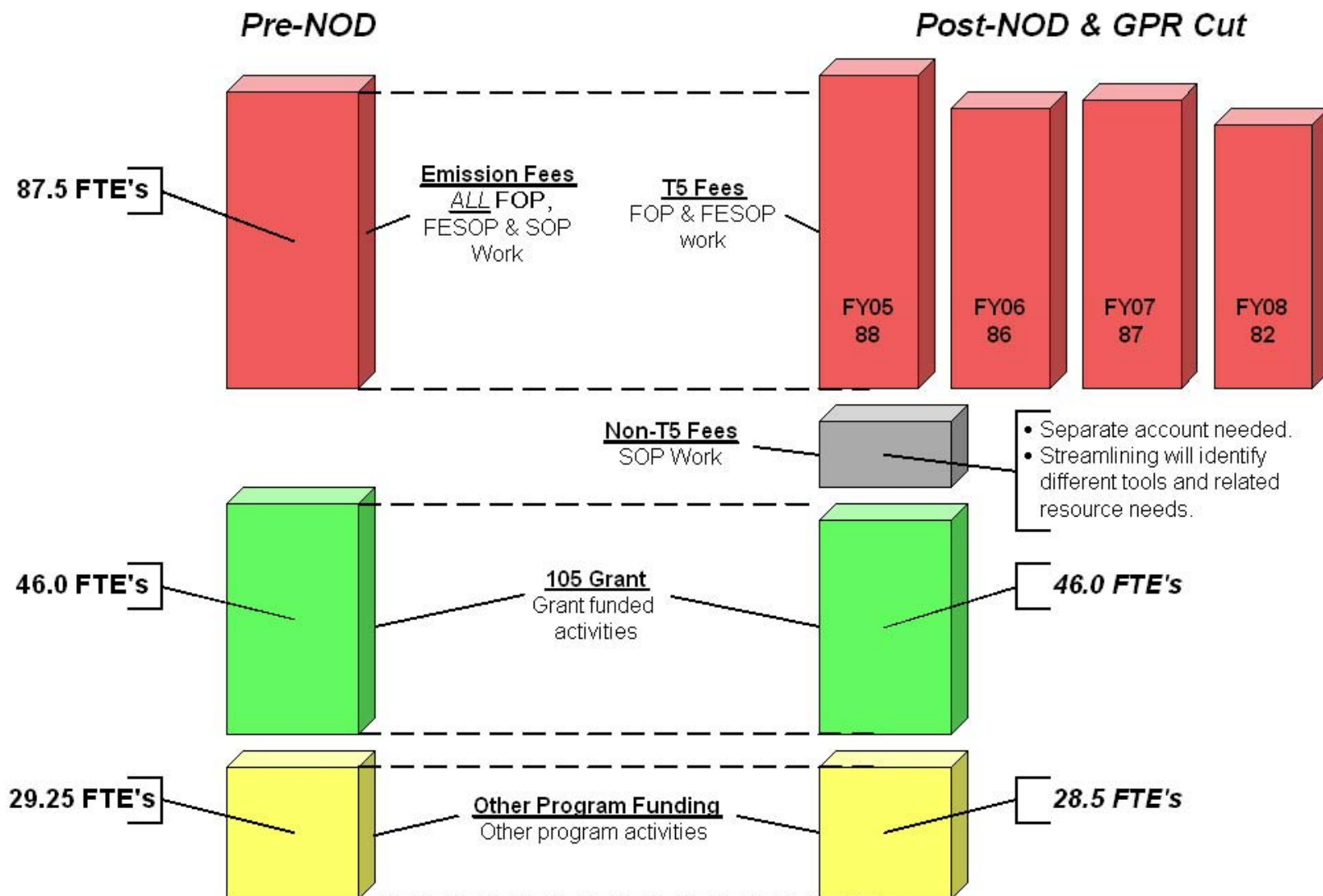
*82*

# Workload Analysis (Con't)



	<i>FY '05</i>	<i>FY '06</i>	<i>FY '07</i>	<i>FY '08</i>
<span style="color: green;">■</span> <i>Streamlining (APII)</i>	14.2	5.9	0	0
<span style="color: red;">■</span> <i>FOP Permits</i>	13.4	11.4	8.1	7.7
<span style="color: orange;">■</span> <i>FESOP Permits</i>	10.6	18.9	25.1	7.5
<span style="color: yellow;">■</span> <i>Compliance/Enforcement</i>	22.8	22.7	22.4	33.8
<span style="color: blue;">■</span> <i>Emission Inventory</i>	4.4	4.4	4.4	4.5
<span style="color: grey;">■</span> <i>Other Program Elements</i>	23	22.7	27.4	28.2

# AIR MANAGEMENT PROGRAM FUNDING







# Redeployment

- Programs eliminated:
  - Biomonitoring
  - 18 Ambient air monitoring sites
  - Smoke School
  - Climate Change Policy Analysis
  - Forecasting for particle pollution levels



# Redeployment Cont'd

## ■ Program Reductions

- Small source compliance and enforcement
- Non-title V complaint follow-up
- Mercury modeling and policy analysis
- Ozone policy analysis
- Air Toxics policy analysis
- Stack Testing
- Asbestos



# Reorganization

- Central Office has 7 sections (vs 8):
  - Monitoring
  - Emission Inventory and Small Source
  - Permits and Stationary Source Modeling
  - Compliance and Enforcement
  - Environmental Analysis and Outreach
  - Regional Pollutants and Mobile Sources
  - Management



# Grant Match

- Renegotiated match Spring 2003
  - New Source permits
  - Mobile Source
  - Asbestos
  - CFC
  - Motor Vehicle Emission & Maintenance
  - Vapor Recovery Administration
  - Non-Part 70 Stationary Source

# Fee Information

Emission Fee Revenue 1996-2001							
Billable Tons per WI Regulations				Billable Tons per 40 CFR 70.9			
Year	Total Billable Tons	Dollars Per Ton	Revenue	Total Billable Tons	Dollars Per Ton	Revenue	Difference
1996	273,506	\$31.77	\$8,689,285.62	257,569	\$31.77	\$8,182,967.13	\$506,318.49
1997	291,184	\$32.65	\$9,507,157.60	274,210	\$32.65	\$8,952,956.50	\$554,201.10
1998	280,959	\$33.19	\$9,325,029.21	265,850	\$33.19	\$8,823,561.50	\$501,467.71
1999	289,154	\$33.80	\$9,773,409.91	274,292	\$33.80	\$9,271,069.60	\$502,340.31
2000	285,628	\$35.71	\$10,199,775.88	244,790	\$34.85	\$8,530,931.50	\$1,668,844.38
2001	276,354	\$35.71	\$9,868,601.34	237,689	\$36.00	\$8,556,804.00	\$1,311,797.34
2002	275,000	\$35.71	\$9,820,250.00	250,000	<b>\$36.57</b>	\$9,142,500.00	\$677,750.00
2003	275,000	\$35.71	\$9,820,250.00	250,000	<b>\$37.07</b>	\$9,267,500.00	\$552,750.00
2004	275,000	\$35.71	\$9,820,250.00	250,000	<b>\$37.81</b>	\$9,452,850.00	\$367,400.00
2005	275,000	\$35.71	\$9,820,250.00	250,000	<b>\$38.57</b>	\$9,641,907.00	\$178,343.00



# Response to Other Program Issues

- EPA identified 4 programmatic issues
- Expiration of NSR Permits
- Combined NSR/T5 Permits
- Federal Enforceability
- Insignificant Emissions Unit Requirements
- Response to identify legal mechanisms for address these



# Expiration of NSR Permits

- EPA questioning whether conditions from expired NSR permits remain in effect.
- EPA questioning whether WI Title I conditions exist independently of Title V
- Statutory fix necessary to resolve
- Solution may come from merged permits



# Combined NSR and Title V Permits

- Related to expiring NSR issue
- EPA having trouble identifying Title I conditions in Title V permits
- Aside from expiring permit issues, programmatic fix will resolve
- WI will reference the originating permit in Title V (e.g. NR 405.08, 00-POY-109)





# Federal Enforceability

- EPA asserts that conditions included in State SIP permits are federally enforceable
- Currently WI regulations do not allow for “state-only” conditions in NSR
- WI will not identify conditions that are included in NSR permits as “state-only”, even if authority originates in non SIP rule - programmatic change
- In future, WI may revise SIP to include “state-only” side to NSR permits - regulatory change



# Insignificant Emissions Units

- EPA asserts that Part 70 requires the inclusion of insignificant emissions units in Title V permits
- Was also NOD issue in Ohio
- WI regulations require IEUs to be included in permit applications
- WI regulations currently silent on IEUs to be included in permit content
- Permit content regulation requires change to resolve



# Your Input

- Questions?
- Comments?